

Can Private Monopoly Be Trusted?

What About Finance Monopoly ?

By THE HON. WILLIAM ABERHART
Premier of Alberta

When we begin to give our careful consideration to the great question of monetary reform, one of the first things that comes to our minds is the power of money and its control.

It is evident that somebody must control the operation of the monetary system. Hopeless confusion leading to collapse would inevitably result if money were issued without any specific authority and without a scientific basis for its administration.



Money differs fundamentally from staple or other products in that it should not be a commodity but simply a medium of exchange to facilitate the distribution of goods and services. It need have no value apart from this.

Most people can surely realize, therefore, what unfortunate results might be experienced if the monetary system was allowed to run without control and without definite direction.

Furthermore, it should be noted that in our complex modern economy, money is the accepted title to goods. Hence without money the exchange and distribution of goods becomes stalemates or seriously handicapped. Barter would be cumbersome and hopelessly inadequate under modern

conditions. So, you see, without money or credit, consumption would be seriously restricted. Indeed, if we are not allowed to have money or credit we cannot travel, and we are denied legitimate recreation and enjoyment. What could we have without money?

It is, therefore, clearly apparent that the control of money affects every aspect of human life. As a matter of fact, the entire economic life of the nation could be ultimately sabotaged or made impossible by a foolish, wicked or unscientific control of the monetary system. This is the situation which confronts us at the present time.

Progressive modern economists fully recognize that the control of money and credit constitutes the key to economic security and freedom.

WHO SHOULD CONTROL?

It is but natural, therefore, that we should ask: "Who has control of this money power today and what have been the results of that control?"

People generally know that this vital control of money is at present in the hands of a highly centralized banking monopoly.

Such is the power this control gives the money monopolists that no one can enter industry nor engage in production without coming under their domination.



It is now common knowledge that most of the economic havoc of the past and of the present has been caused by the deliberate manipulation of money to serve the selfish interests of its controllers. Industries have been wrecked, time and again, by rigid foreclosures and heartless credit restriction. Money has been

intentionally kept in short supply by the money changers and controllers of finance in order to increase its scarcity value, and thus yield them greater profits and increased power.

Business men know by bitter experience that shortage of money causes curtailment of production and trade on account of the resulting lack of purchasing power. This

slow-up in turn tends to unemployment, with its terrible harvest of poverty, undernourishment, disease, crime, suffering and a host of attendant evils.

The appalling havoc which has been produced by the present private monopoly's control of the money system should convince every person that there must be a change.

The private money monopoly, therefore, having caused this devastation, it logically follows that there is but one other course open to us, namely the introduction of government control of the money system.

SOVEREIGN RIGHT

No one can deny that the control of the monetary system is fundamentally a sovereign right. This was realized by the founder of the modern money power, Meyer Amschel Rothschild, who is credited with saying: "Permit me to issue and control a nation's money and I care not who makes its laws."



A great statesman and monetary reformer, Abraham Lincoln, also stressed the sovereign right of the government to control money in these words: ". . . The privilege of creating and issuing money is not only the supreme prerogative of government, but it is the government's greatest creative opportunity."

These are but a few examples of the mass of evidence that could be produced to establish this point, if space permitted.

At the same time it must be freely admitted by all that the money system is not under the control of the government today. Only the other day the Minister of Finance told the House of Commons in Ottawa: ". . . I have no right, nor has the government any right, to dictate to the Bank of Canada as to what its policies shall be."

EVIDENCE QUOTED

Whatever were the circumstances in which that statement was made, it shows clearly that parliament is not

supreme in the control of even the Bank of Canada, let alone the chartered banks. If further evidence of this were needed, it can be found in the replies given to the following questions asked in the House of Commons:

“Q.—Are the minutes of the meeting of the directorate (of the Bank of Canada) available to the members of the House of Commons? A.—No.

“Q.—Is any or all correspondence exchanged between the Bank of Canada and the Bank of England available to the members of the House of Commons? A.—No.”

I am convinced that the total failure of the federal government to control the nation's monetary policies should be plain to anyone who follows the evidence, such as the above, that is accumulating from day to day.

PEOPLE MUST DECIDE

The time has come when the people of Canada must decide whether they will continue to suffer under the present inadequate and outworn money system, controlled by a private monopoly, or whether they will liberate themselves from financial bondage by demanding a reform of the money system under government control.

It should, therefore, be profitable to discuss this important question at greater length in order to get a better comprehension of just what would be involved, and how an orderly and scientific reform of the money system could be carried out.

However, first let us clear away some of the debris and rubbish that has been scattered along the highways and by-ways by means of propaganda intended to mislead people on this vital issue.

The false idea has been spread abroad that no public body can administer the money system efficiently because, it is claimed, politics would creep in and undermine the whole structure.

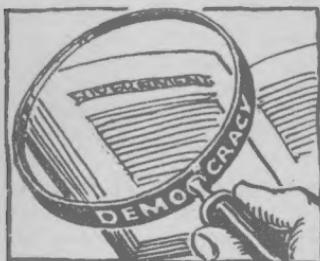
This strange contention is utterly without basis in fact and is, therefore, obviously mischievous.

In the first place, advocates of democratic monetary reform make no suggestion that the federal government should **administer** the money policy. Democratic monetary reformers have no criticism of the efficiency of the

present administrative machinery of the banks. They do not suggest that there be a change of administration. They distinctly emphasize that the **control of policy** by the government, acting for the people, is all that is needed.

As the late Vincent C. Vickers, an ex-director of the Bank of England, once stated:

"As things stand today, money and the issue of credit is not controlled by the state, but by interested parties creating no wealth, working to make money out of money—most of which is not theirs at all. What we want is not 'nationalization of banks' (this would be quite useless and probably fatal), but state control and state-issue of credit, so that the money supply may be regulated solely for the benefit of the country as a whole by disinterested authority, and not with the primary considerating given to the money business of financiers and bankers."



In the second place, government control of policy would be open to public scrutiny all the time, and any intrusion of political intrigue would be disastrous to the party which committed or permitted it. The responsibility would then fall back upon the people where it truly belongs in a democracy.

In the third place, many other matters of great importance, affecting the very lives of the people, have been entrusted to the government, without serious political disastrous results. For example, we have committed to our governments the rights of citizenship, the responsibility of public welfare— health, education, pensions and so forth—and the prosecution of a war that threatens civilization itself. This has always been the proper procedure in a democracy.

CONTROL POSSIBLE

It would seem, therefore, that if we accept the argument that the government is not fit to control money policy, to be consistent we should abandon all government control of policy. In other words, we should

abandon government, for control of policy is its major function. This, of course, leads to an absurd conclusion and consequently denies the premise from which it began. Hence, the government should be entrusted with control of the monetary system. Any government which is unwilling or unable to control monetary policy is certainly incapable of directing any policy. In fact, it is practically impossible to direct or administer any function of government without its effectual control of the monetary system.

Finally, it is pointed out that if a government, whose actions are constantly open to the public, is likely to make a racket out of controlling monetary policy, how much greater is the danger when a private monopoly has the control and operates in secret? Do you know of any private monopoly which is not a racket?

Now since no reasonable objection can be offered to the government control of the monetary system, and since it is essential to good government and the welfare of the people, I claim that we should be ready to give our most careful and considered attention to the splendid results that are bound to accrue through a sane, orderly and scientific reform of our monetary system.

We are not asking for any particular recognition in this matter. All we want is to see it done for the general welfare of the nation, and we are willing to co-operate wholeheartedly with all who honestly desire to see this change in our monetary system accomplished.

Other leaflets are in course of preparation.

For further information write to the

BUREAU OF INFORMATION
Legislative Building Edmonton, Alberta